



JOHN ENGLER
GOVERNOR
May 2002

STATE OF MICHIGAN
DEPARTMENT OF COMMUNITY HEALTH
LANSING

JAMES K. HAVEMAN,
DIRECTOR

Dear Medicaid Nursing Facility Provider:

The purpose of this letter is to provide you information on the services offered by the Michigan Department of Community Health (MDCH) that should make your October 1, 2002 conversion to the national standard billing formats as smooth as possible.

Communication, training, and testing are key to a successful transition. We are working with the professional associations representing nursing facilities to provide training opportunities and enhance our communications with you. We are also implementing a thorough claims testing process.

An Internet-based training module on the completion of the UB-92 claim form is available through Michigan Virtual University. This self-instruction module is currently being updated with nursing facility billing information and will be available in July. It is free of charge to anyone with Internet access. Log on to the Michigan Virtual University's training course at www.healthcare.mivu.org.

The Michigan Department of Community Health wants to encourage migration from paper claims to electronic billing and remittance. To further that goal, an informational session on EDI billing for Medicaid claims is being offered on June 7, 2002. Please contact ForbesJill@michigan.gov if you are interested in attending. To become an authorized electronic biller for the submission of Medicaid claims, contact the MDCH Automated Billing Unit; you may e-mail them at automatedbilling@michigan.gov.

Finally, we recommend you avail yourself of the claim testing opportunities. Electronic claim integrity and content testing services are being offered, as are paper claim scanning and content testing services. These tests will identify problems before you begin submitting real claims; claims for which you expect to be paid. Attached to this letter are specific instructions for submitting claims for testing.

- + Attachment A: Electronic Claims for Nursing Facilities
- + Attachment B: Paper Claims for Nursing Facilities

We have found that providers who take advantage of the training and testing opportunities offered have had an uneventful transition to the new formats.

If you have any questions regarding the changes being made, you may contact the Provider Inquiry Line at 800-292-2550 or e-mail your questions to providersupport@michigan.gov. All draft and final policy bulletins, electronic claim formats, and other information related to the Uniform Billing Project are available on the MDCH website at www.michigan.gov/mdch.

Cordially,


James K. Haveman, Jr.

attachments

INSTRUCTIONS FOR TESTING NURSING FACILITY ELECTRONIC CLAIMS

If you currently use a billing agent, clearinghouse, or software package to prepare and/or submit claims electronically, we suggest that you contact them to assure that the software used for submitting electronic claims is compliant with the required formats detailed below.

If you are interested in becoming an electronic biller, contact the MDCH Automated Billing Unit at automatedbilling@michigan.gov.

The transition to the National Electronic Data Interchange Transaction Set Health Care Claim, **ASC X12N 837 Institutional version 4010 or UB-92 (Electronic Media Claim version 5.0)** electronic claim format for Nursing Facilities will be **October 1, 2002**. After that date, all electronic claims must be submitted via these formats, regardless of the date of service.

For instructions on claim completion, refer to the Uniform Billing Manual and the policy bulletins and Medicaid provider manual pages issued related to Uniform Billing Project changes for Nursing Facilities. These documents can be found on the web at <http://www.michigan.gov/mdch>. Once you have reached the website:

- Click on "Providers" on the left side of the screen.
- Click on "Information for Medicaid Providers", the first bullet on the left hand side of the page.
- Click on "Michigan Medicaid Uniform Billing Project" in the middle of the page. Links to all information are listed on this page.

The MDCH website also contains the following useful documents in the section titled Electronic Claims Submission Information:

- 837 Institutional Version 4010 Clarification Document;
- UB 92 EMC 5 Transaction Set;
- MDCH Electronic Billing Manual;
- EDI 837 Introduction.

You are encouraged to visit the website and familiarize yourself with documentation that is available.

MDCH is recommending a two-stage electronic claim submission testing process that is detailed on the following pages.

Stage 1 – Integrity Testing is recommended for electronic billers who plan to submit claims electronically to Michigan Medicaid using the ASC X12N 837 Institutional version 4010 beginning October 1, 2002. This stage provides the opportunity to test electronic claims for syntax errors (e.g. fields and data are formatted correctly). This testing is **NOT** available for the UB-92 (Electronic Media Claim version 5.0) electronic claim format.

Stage 2 – Claims Testing for both electronic claim formats is required for all billers submitting electronic claims for providers being transitioned to the standard formats October 1, 2002. This stage will begin in July 2002.

All test claims must be prepared using the formatting specified for the electronic format that you plan to use and must utilize the appropriate revenue and procedure codes. Additional coding requirements can be found in the policy bulletins on the MDCH web site. You are encouraged to utilize the Institutional ASC X12N 837 version 4010, as this will be the only institutional claim format that will be accepted in October 2003.

Electronic billers are urged to submit a representative sample of claims for each provider type for which they bill. Limit the number of claims within the test file to 100. If more than 100 claims are submitted in the test file, the state team will review only the first 100 claims. A Remittance Advice (RA) will be produced for the entire test file so that the billing agent may review the results of the remaining claims.

Test claims will not be paid. These claims will be used only for testing purposes.

GovConnect, the MDCH contractor, will contact you to discuss the results of your test and review any claim completion or data errors identified. It is anticipated that the testing process and review of test results will require a minimum 5-10 business days to complete.

STAGE 1 – INTEGRITY TESTING

Integrity testing is not available if you are using the UB-92 Electronic Media Claim version 5.0 claim format.

For the ASC X12N 837 version 4010, testing is available via online testing services such as Claredi or Foresight Validator. There will be a charge for testing through third-party testing vendors. BC/BS anticipates using Foresight Validator for testing of their EDI transactions for HIPAA compliance.

To test your claims via the Claredi online testing engine, you will need to purchase an account with Claredi. To do so and to begin testing, do the following:

- Point your browser to <http://www.claredi.com/>
- Once the page loads, click on the “New Account” link located in the upper right portion of the screen on the Claredi website’s main navigation bar
- The “Create Account” page will appear.
 - Select the type of an organization you are registering. Use the “Company Type” drop down menu in the middle of the page. Nursing facilities should select “Other Provider”.
 - Select the method of certification you prefer (directly through Claredi, via your clearinghouse, or test as a clearinghouse)
 - Leave the “Claredi Code” text box blank
- Click on “Continue”
- The “Create Account” page will display multiple fields that are required to create an account with Claredi. These fields include, but are not limited to, user name, password, your name, your job title, and other general contact and descriptive information.
- Follow prompts and instructions to test your EDI transactions for HIPAA compliance.

Successful testing via Claredi will result in a certificate. MDCH strongly urges you to become certified on levels one through six of WEDI SNIP. Claredi provides the ability to test your EDI transactions on these levels.

STAGE 2 – CLAIMS TESTING

You must be an authorized electronic biller to complete Stage 2 Claims Testing. Complete integrity testing through the Claredi testing site **prior to** submitting test claims to MDCH.

Electronic billers should submit test claim files between July 2002 and September 13, 2002. Please send files for recipients that you currently bill Medicaid for, not “fake” Medicaid numbers. **Test claims are not live claims and will not be paid.** No live claims may be submitted for processing in the new format prior to October 1, 2002.

To complete Stage 2 Testing, follow these instructions:

1. The first step of Stage 2 Testing is dependent on your chosen electronic format.
 - To submit an **ASC X12N 837 Institutional version 4010** test file, log onto the DEG (Data Exchange Gateway), then enter the following information:

PUT (Your volume\directory\file) space (4780T@DCHEDI). The catalog and file would be the file string for where the file to be tested is loaded on your computer. The following example illustrates this command:

PUT C:\CATALOG\4780T 4780T@DCHEDI

After you have done the put command and the file has transferred, you can do a "DIR" (Directory Command) to see if there is a 4780T file in your Mailbox. If the translator can process the file, it will create an ANSI X12 997 Acknowledgement to use as a "Receipt" that MDCH has received and translated the file.

- To submit a **UB-92 (Electronic Media Claim version 5.0)** test file, log onto the DEG (Data Exchange Gateway), then enter the following information:

PUT (Your volume\directory\file) space (3602T@DCHBULL). The catalog and file would be the file string for where the file to be tested is loaded on your computer. The following example illustrates this command:

PUT C:\CATALOG\3602T 3602T@DCHBULL.

2. You must then send an email, including a contact name and telephone number, to the following contacts to inform MDCH that a test file has been submitted:

Savaget@Michigan.gov Tammie Savage
Carterj1@Michigan.gov Felix Carter
KatalenichD@Michigan.gov Daryl Katalenich
ForbesJill@Michigan.gov Jill Forbes

3. MDCH will do a preliminary review of the file and, if acceptable, will transfer the file to the test area. If the test file is not acceptable, MDCH will advise you of problems contained in the file that prevent further testing and will provide guidance to modify the file according to Medicaid specifications.
4. Once the test file has been accepted, claims will be adjudicated in the test environment and a Remittance Advice will be produced. These documents will be forwarded to GovConnect and MDCH for review.
5. After review of the test file adjudication has been completed, GovConnect will contact you by phone with the results and will be available to answer any questions that you may have related to the results. The entire testing process takes a minimum of 5-10 business days to complete.

INSTRUCTIONS FOR TESTING NURSING FACILITY PAPER CLAIMS

Providers who bill using paper for any or all claims are urged to submit paper claims for testing. Paper claims will be tested to determine if they can be read properly by the scanning equipment, whether the claim is complete and whether data errors exist. Detecting these problems now will alleviate payment delays after October 2002.

We understand that portions of the provider community utilize programs developed by software vendors to prepare paper claims. ***If you utilize a software vendor, you are strongly encouraged to contact them to assure that the appropriate changes are made to their software prior to submission of test claims. We also urge you to bill electronically to expedite payment for services that you provided.***

Please note the following:

- The transition to the UB-92 paper claim form for Nursing Facilities will be **October 1, 2002**. After that date, all paper claims must be submitted on the UB-92 claim form, regardless of the date of service.
- For instructions on completion, refer to the State Uniform Billing Manual, policy bulletins and Medicaid provider manual pages related to the Uniform Billing Project. Policy bulletins and manual pages can be found on the web at <http://www.michigan.gov/mdch>. Once you have reached the website, click on "Providers" on the left side of the screen. Then click on "Information for Medicaid Providers" which is the first bullet on the left-hand side of the page. Proposed policy bulletins are found in the section titled "Medicaid Policy." The section titled "Michigan Medicaid Uniform Billing Project" contains additional information that is pertinent to the conversion to the new billing format.
- All test claims must be prepared using the claim completion instructions as noted above and must utilize the required revenue and procedure codes. Codes can be found in the policy bulletins related to Uniform Billing for Nursing Facilities.
- Test claims will be accepted between July 1, 2002 and September 13, 2002. ***Test claims will not be paid. These claims will be used only for testing purposes.***
- Providers should submit 5 to 10 paper claims for each provider type for which they bill. Please send files for recipients that you currently bill Medicaid for, not "fake" recipients. Claims should be a representative sample of services provided. If more than ten claims are submitted per provider type, they will be discarded. Be sure to complete all applicable fields on the control form to ensure expedient processing of test claims
- ***Include the attached control form with all test claims*** and mail your paper test claims to:

Michigan Department of Community Health
 P.O. Box 30733
 Lansing, MI 48909-8233
- Claims must be mailed flat using a 9" x 12" envelope. Claims should not be folded. No staples or paper clips are to be attached to the claims. Claims not complying with these requirements will be returned untested. The MDCH contractor, GovConnect, will contact you to discuss the results of your test and review any claim completion or data errors. The entire testing process takes a minimum of 5-10 business days to complete.

Michigan Department of Community Health
Uniform Billing Project
Paper Test Claim Submission Control Form
Submit all test claims to MDCH, P.O. Box 30733. Lansing, MI 48909-8233

Attachment B - L 02-18

It is important to complete and submit this information with your test claims.

<u>Organization Name:</u>		
<u>Contact Name:</u>	<u>Billing Address:</u>	
<u>Phone:</u> ()		
<u>Fax:</u> ()		
<u>E-mail Address:</u>		<u>Date:</u>
<u>Printer Type Used for Claim Preparation (Please Circle one – if "Other", please explain):</u> <div style="display: flex; justify-content: space-around; margin-top: 5px;"><u>Typewriter</u><u>Dot-matrix</u><u>Ink-Jet</u><u>Laser</u><u>Other</u></div>		
<u>Font Size Used for Claim Preparation:</u>		
<u>List Provider Type(s)/ID Number(s) Represented Here:</u> <div style="display: flex; justify-content: space-between; margin-top: 10px;"><div style="width: 45%; border-bottom: 1px solid black;"></div><div style="width: 45%; border-bottom: 1px solid black;"></div></div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"><div style="width: 45%; border-bottom: 1px solid black;"></div><div style="width: 45%; border-bottom: 1px solid black;"></div></div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"><div style="width: 45%; border-bottom: 1px solid black;"></div><div style="width: 45%; border-bottom: 1px solid black;"></div></div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"><div style="width: 45%; border-bottom: 1px solid black;"></div><div style="width: 45%; border-bottom: 1px solid black;"></div></div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"><div style="width: 45%; border-bottom: 1px solid black;"></div><div style="width: 45%; border-bottom: 1px solid black;"></div></div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"><div style="width: 45%; border-bottom: 1px solid black;"></div><div style="width: 45%; border-bottom: 1px solid black;"></div></div>		
<u>Check the Type and List the Total Number of Test Claims Represented Here:</u> <div style="display: flex; justify-content: space-around; margin-top: 10px;"><div><input type="checkbox"/> UB-92: _____</div><div><input type="checkbox"/> HCFA 1500 _____</div></div>		
<u>If Applicable,</u> <u>Identify the Software Package Used for Claim Preparation:</u> <u>Identify the Software Vendor:</u> <u>Who do you purchase your claim forms from?</u> <div style="display: flex; justify-content: space-between; margin-top: 20px;"><div style="width: 45%;"><u>Vendor Contact Number:</u></div><div style="width: 45%;"><u>Vendor Contact Name:</u></div></div>		